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Financing of the United Nations peacekeeping forces in the Middle East: United Nations Disengagement Observer Force; United Nations Interim Force in Lebanon

Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Financing of the United Nations Mission for the Referendum in Western Sahara

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: financing of the United Nations peacekeeping operation

Financing of the United Nations peacekeeping operations

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. During its meetings held in February and March 2000, the Advisory Committee on Administrative and Budgetary Questions considered the financial performance reports for the period from 1 July 1998 to 30 June 1999 and the proposed budgets for the period from 1 July 2000 to 30 June 2001 of the peacekeeping operations listed below. The Committee's reports on each of these missions are presented as addenda to the present report, as follows:

(a) United Nations Disengagement Observer Force (UNDOF) (A/54/841/Add.1);

(b) United Nations Interim Force in Lebanon (UNIFIL) (A/54/841/Add.2);

(c) United Nations Iraq-Kuwait Observation Mission (UNIKOM) (A/54/841/Add.3);

(d) United Nations Peacekeeping Force in Cyprus (UNFICYP) (A/54/841/Add.4);

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(e) United Nations Observer Mission in Georgia (UNOMIG) (A/54/841/Add.5);

(f) United Nations Mission in Bosnia and Herzegovina (UNMIBH), including the liaison offices at Zagreb and Belgrade and the United Nations Mission of Observers in Prevlaka (UNMOP) (A/54/841, Add.6);

(g) United Nations Mission for the Referendum in Western Sahara (MINURSO) (A/54/841/Add.7);

(h) United Nations Logistics Base at Brindisi (A/54/841/Add.8).

2. The Advisory Committee also considered the financial performance reports for the period from 1 July 1998 to 30 June 1999 for the United Nations Civilian Police Mission in Haiti (MIPONUH) (A/54/757), the United Nations Mission of Observers in Tajikistan (UNMOT) (A/54/705), the United Nations Preventive Deployment Force (UNPREDEP) (A/54/740), the Civilian Police Support Group (A/54/713) and the United Nations Observer Mission in Sierra Leone (UNOMSIL) (A/54/778). The Committee has reported on MIPONUH (A/54/825), UNMOT (A/54/822), UNPREDEP (A/54/824) and the Civilian Police Support Group (A/54/823). The Committee's report on UNOMSIL is to be issued shortly.

3. The Advisory Committee considered the financial performance report for the period from 1 July 1998 to 30 June 1999 (A/54/809) and the revised budget for the period from 1 July 1999 to 30 June 2000 (A/54/812) for the United Nations Observer Mission in Angola (MONUA) and the revised budget for the period from 1 July 1999 to 30 June 2000 and the proposed budget for the period from 1 July 2000 to 30 June 2001 for UNOMSIL and the United Nations Mission in Sierra Leone (UNAMSIL) (A/54/820). The report of the Committee on MONUA is contained in document A/54/831, and, as indicated above, its report on UNOMSIL/UNAMSIL is to be issued shortly.

4. The Advisory Committee also considered the financial performance report for the United Nations Mission in East Timor (UNAMET) for the period from 5 May 1999 to 30 November 1999 and the request for additional appropriation (A/54/775), as well as the budget estimates for the United Nations Transitional Administration in East Timor (UNTAET) for the period from 1 July 1999 to 30 June 2000 (A/54/769). The reports of the Committee on the financing of UNAMET and UNTAET are contained in documents A/54/802 and A/54/804 respectively.

5. The Advisory Committee also considered on a preliminary basis the proposed budget for the period from 1 July 2000 to 30 June 2001 for the United Nations Interim Administration Mission in Kosovo (UNMIK) (A/54/807) and the Secretary-General's request for authority to enter into commitments, with assessment, in an amount not exceeding $200 million to meet the most immediate anticipated requirements of the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) (see A/54/808). The reports of the Committee are contained in documents A/54/842 and A/54/813 respectively.

6. Further, the Advisory Committee considered the report on losses of United Nations property in peacekeeping operations (A/54/669 and Corr.1). The Committee's observations and comments are set out in paragraphs 47-53 below.

7. In addition, the Advisory Committee has considered the report of the Board of Auditors to the General Assembly on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 1999.[1] The report of the Committee is contained in document A/54/801.

II. General Observations

8. A summary of the financial performance of peacekeeping missions for the period ending 30 June 1999 is contained in annex I to the present report. For the peacekeeping operations listed in that annex, expenditures amounted to $768,242,700, including the absorption of the cost of the United Nations Logistics Base at Brindisi, Italy, which amounts to $4,016,100, against appropriations of $836,056,300, leaving an unencumbered balanced of $67,813,600 (or 8.1 per cent of the appropriation). As can be seen from table 1, the total of unliquidated obligations for the period ending 30 June 1999 amounted to $230,493,600 (or 30.0 per cent of the expenditure), as reflected in the performance reports. As at 28 February 2000, unliquidated obligations amounted to $125,188,738.

9. The Advisory Committee has commented in the past on the high level of unliquidated obligations as an indication of the need to refine the monitoring of budget implementation and disbursement. The

Table 1
Unliquidated obligations for the period from 1 July 1998 to 30 June 1999
(United States dollars)

Mission	*As per performance report*[a]	*Percentage of apportionment*	*Current status*[b]
MINURCA	22 957 600	37	9 473 700
MINURSO	6 966 300	12	3 281 700
MIPONUH	5 854 000	20	2 407 845
MONUA	51 858 500	40	42 455 500
UNDOF	13 316 700	39	10 434 374
UNFICYP	14 103 500	31	4 880 670
UNIFIL	52 136 300	36	22 321 570
UNIKOM	15 110 100	29	5 546 400
UNLB	1 282 500	18	168 517
UNMIBH	16 133 000	9	5 625 745
UNMOT	3 949 500	20	690 418
UNOMIG	2 298 900	12	1 276 192
UNOMSIL	3 305 800	15	400 400
UNPREDEP	21 162 900	49	16 220 500
UNTAES/Support Group	58 000	1	5 207
Total	**230 493 600**		**125 188 738**

[a] A good part of the unliquidated obligations is related to provision for reimbursement to Member States for troop costs, contingent-owned equipment, and the like.

[b] As at February 2000.

Committee notes that for this reporting period inter-office vouchers and unliquidated obligations have been reviewed more intensively. The Committee recalls that, in accordance with decisions of the General Assembly in its resolutions on the financing of each peacekeeping mission following the financial period to which they relate, obligations relating to governmental claims remain valid for five years and those relating to non-governmental claims are retained for 12 months. The Committee notes from the report of the Board of Auditors[2] that more progress needs to be made in the process of reviewing and verifying troop-contributing countries' claims. **In this connection, the Committee stresses the importance of the timely settlement of all claims of Governments participating in peacekeeping operations (see also A/54/801, paras. 6 and 8).**

10. As shown in annex II, total estimated budgetary requirements for the period from 1 July 2000 to 30 June 2001, as proposed by the Secretary-General in the reports for each peacekeeping operation submitted to the Advisory Committee as advance texts in February and March 2000, amount to $2,016,160,100 gross, excluding proposed budgets of $9,317,400 gross for the United Nations Logistics Base at Brindisi (A/54/733) and $51,736,600 gross for the Support account for peacekeeping operations (A/54/800). In this connection, the Committee recalls that the procedure for prorating support account cost requirements among individual peacekeeping mission budgets is contained in its report of 22 March 1996 (A/50/897, para. 37 and annex II), and the procedure with respect to the Logistics Base is contained in its report of 1 April 1999 (A/53/895, para. 37).

11. The Advisory Committee notes that estimated gross budgetary requirements for peacekeeping operations for the period from 1 July 2000 to 30 June 2001 are expanding in comparison with the estimated requirements proposed by the Secretary-General for each peacekeeping operation for the period from 1 July 1999 to 30 June 2000 (see A/53/895, annex IV). The Committee was informed by the Controller that gross estimated requirements will now exceed $2,600 million for the period 2000/01. While the budgets of five of the six ongoing missions have decreased between 1999/00 and 2000/01, the expansion refers mainly to the budgetary requirements of three new missions (i.e., UNMIK, UNTAET and MONUC) with large military and/or police components, as well as to the conversion and expansion of the operation in Sierra Leone. The Committee has paid close attention to the justifications provided for the requests for additional resources as well as to general issues of operational efficiency. The Committee has indicated areas that need further change, as summarized below and/or as contained in the reports of the Committee on each mission's budget.

12. **The Advisory Committee welcomes the improvements in the preparation of the proposed budgets for peacekeeping operations.** The Committee notes that improvements in the reports result in part from the implementation of recommendations made by the Committee, in particular in its reports of 7 May 1998 (A/52/860) and 1 April 1999 (A/53/895) on financing of the United Nations peacekeeping operations. The Committee was informed that some issues, such as the treatment of income (see A/53/895, para. 13) remained under review. The Committee also notes that in many instances the budget preparation process has been streamlined. In most cases the estimates are more realistic, reflecting performance experience gained from prior mandate periods; however, in some areas, such as civilian staff costs, the Committee has questioned the extent to which past experience has been used and, where appropriate, has adjusted the rates. In general, the financial performance and budget documents have been made more user-friendly, containing concise but yet more precise narratives with fewer errors than in previous documentation. In accordance with the Committee's past recommendation, budgets have provided in a consistent manner expenditures for staff assessment and the corresponding offset.

13. The Advisory Committee notes further improvements in the coordination between Headquarters and missions in the field in budgetary and administrative matters. As a recurrent feature, long-established missions continue to be a source of expertise for new missions.

14. The Committee was provided with an updated version of the Standard Cost Manual for Peacekeeping Operations and was informed about how its updating has affected the estimates in a number of areas, such as transportation and accommodation. The Standard Cost Manual indicates estimated unit prices based on an average of recent purchase costs of various items. As these items may be bought individually or at varying bulk rates with variable discounts and associated savings, the resulting standard cost need not necessarily reflect either the unit price or a specific bulk cost for the item; rather, it is a functional average suitable for budgeting and mission planning purposes.

15. **The Advisory Committee welcomes the enhancements in the information contained in the performance reports as well as the refinements in the additional complementary information on budget implementation provided to the Committee during its meetings; however, the Committee believes that further adjustments are needed in some cases so that the most up-to-date information given to the Committee would be more accurate, facilitating the Committee's review of budget proposals.** The Committee notes that for some missions, such as UNFICYP, information was included on steps taken to manage more effectively authorized funds and on economy measures taken. **The Committee requests that in future similar information be included in the performance reports for other missions, as appropriate.**

16. The Advisory Committee notes from the additional information provided on budget implementation that considerable variations occurred in expenditures under several items. Detailed explanations were provided, in general, where variances in expenditure were over or under $100,000 or 10 per cent of the apportionment. However, when relevant, explanations of smaller variances were also provided. In some cases variances involved unbudgeted items. The Committee recognizes that this is a feature of the flexibility accorded to the Secretary-General to manage the appropriations authorized by the General Assembly. Nevertheless, **the Committee intends to**

monitor this situation to ascertain whether the frequency of unbudgeted expenditures results from unforeseen circumstances or whether it reflects weaknesses in the methods used to identify requirements.

17. The Advisory Committee has noted that in some missions (e.g., UNIKOM) there are a number of voluntary contributions for which no value is given. Moreover, upon enquiry, the Committee was informed that in a number of cases these voluntary contributions were in respect of items that would otherwise have been budgeted. However, the Committee was not provided with values for the voluntary contributions. **In the opinion of the Committee, this is cause for concern, as it indicates a failure to comply with the requirement for full-cost budgeting. The Committee recalls that draft technical guidelines for voluntary contributions for peacekeeping operations have been issued (see A/52/860, annex V). The Committee trusts that this deficiency will be remedied in future budget submissions.**

18. **The Advisory Committee requests that in future budget presentations, organization charts containing an indication of the personnel proposed for each organizational unit of the mission be provided for all peacekeeping missions so as to facilitate a comparative analysis of the budget proposals for various missions.**

Civilian police

19. The Advisory Committee continues to be concerned about the issues of screening, selection and deployment of police personnel. **There is a continued need to improve the present arrangements for selection and clearance of police personnel and for notifying Member States about police needs in peacekeeping missions. A more effective selection process and better management of civilian police personnel could well result in savings.** In this connection, the Chief of the Civilian Police Unit of the Department of Peacekeeping Operations briefed the Committee on progress made to address the problem of delays in deployment and on the number of untimely repatriations of civilian police personnel in peacekeeping operations. The Committee was informed that at present 8,900 civilian police personnel were required and that 4,800 had been deployed. The Committee notes that the types and functions of the civilian police personnel are expanding to include, in addition to unarmed police monitors, armed police personnel with full executive enforcement responsibility (e.g., in UNMIK) and armed rapid-reaction police units (formed units which for administrative and budgetary purposes are treated as contingents) (e.g., in UNTAET).

20. To address the problem of early repatriations, the selection process has been reviewed. Selection and assessment teams are now going to those countries that provide a large number of civilian police personnel. More effective methods of testing and selection are under development, including moving testing from the mission area to the countries that contribute monitors. **The Advisory Committee stresses the importance of ensuring that equipment provided to civilian police personnel is commensurate with the mandate entrusted to them, taking into account the specific need of each peacekeeping operation.** The Committee was provided with data on the early repatriation of civilian police during the period from 1 July 1998 to 30 June 1999, which are shown in table 2.

21. **The Advisory Committee is also of the view that there is a need to examine the organizational set-up and the role and capacity of the Civilian Police Unit of the Department of Peacekeeping Operations at Headquarters.** The Committee recalls its report of 6 April 1999 (A/53/901, para. 12) in which it recommended careful monitoring of the changes concerning military and civilian police functions. In this connection, the Committee was informed that further initiatives were under consideration to increase the capacity and efficiency of the Civilian Police Unit. These include measures to broaden the base for recruiting police personnel, such as hiring retired police personnel that meet specific mission requirements, less frequent rotations or longer tours of duty and improvements in selection teams. **The Committee stresses the continued need to monitor the current structure of the Military and Civilian Police Division to ensure organizational effectiveness and efficiency and, in the light of the experience gained, to make any changes determined to be necessary.**

International and local staff

22. The Advisory Committee notes that vacancy rate assumptions in budget proposals for international and

Table 2
Early repatriation of civilian police for the period from 1 July 1998 to 30 June 1999

	Medical grounds	*Compassionate grounds*	*Failure to meet mission requirements*	*Disciplinary grounds*	*Government request*	*Other grounds*	*Total*
MINURCA	2	-	-	-	3	1	6
MINURSO	-	-	-	-	-	1	1
MIPONUH	4	4	9	2	1	1	21
UNFICYP	-	-	-	-	-	-	-
UNMIBH	20	3	47	9	4	57	140
UNOMSIL	-	-	-	-	-	5	5
UNPREDEP	-	-	-	-	-	-	-
UNTAES/Support Group	-	-	-	-	-	-	-
Total	**26**	**7**	**56**	**11**	**8**	**65**	**173**

local staff continue to be less than actual average rates, as shown in the performance reports, and reasons vary with each particular mission. The Committee was provided with vacancy rates for Professional, General Service/Field Service and local staff for the period from 1 July 1998 to 30 June 1999 (see annex III). The Committee has questioned the extent to which past experience has been used and in some cases (e.g., in UNIKOM, UNMIBH and UNOMIG) has made adjustments in the rates proposed. The Committee was informed of the difficulties that missions experience concerning the emplacement and retention of staff. In several missions there has been a large number of inter-mission loans of personnel and equipment to remedy the situation. The Committee notes that this situation has prevailed for some time and was reported in the context of the performance reports for the period from 1 July 1997 to 30 June 1998 (A/53/895, annex V). The Committee was informed that vacant posts were often in the administrative services of the mission. **The Committee recommends that an analysis be undertaken to determine the effect of continuing high vacancy rates on mission operations, as well as the impact that inter-mission loans of personnel and equipment may have on mission implementation. The report should address measures contemplated to increase mobility, both between missions and from headquarters duty stations to the field, and to improve recruitment.** The Committee was provided with a schedule of mission staff on short-term loan for the start-up of new missions for the periods from 1 July to 31 December 1998 and from 1 January to 30 June 1999, as shown in table 3. In this connection, the Committee requests that, in future, performance reports include data on inter-mission loans of personnel.

23. The Advisory Committee notes that salary cost estimates for international staff have been adjusted in the proposed budgets (e.g., for UNMIBH), taking into account past experience in the implementation of the budget. Salary estimates have been calculated more accurately taking into account the non-entitlement to post adjustment of Professional staff and Field Service staff classified as mission appointees. Similarly, common staff costs for international staff have been calculated at a reduced rate owing to the high number of mission appointees (e.g., in UNMIBH).

24. The Advisory Committee notes that the number of mission appointees varies widely, from 70 per cent in UNMIBH to 6 per cent in UNIKOM. Upon request, the Committee was informed that the number or proportion of mission appointees was likely to vary from one mission to the next depending on the mandate of the mission. Missions with more complicated or specific mandates, as compared with the more traditional peacekeeping operations, such as the established missions, are more likely to hire a larger proportion of mission appointees. Missions such as

Table 3
Mission staff on short-term loan for the start-up of new missions

A. 1 July to 31 December 1998

	To					
	MINURCA		*UNOMSIL*		*Cambodia electoral*	
From	*Field Service*	*Local level*	*Field Service*	*Local level*	*Field Service*	*Local level*
UNFICYP	1	-	1	-	-	-
UNIFIL	2	-	6	-	-	-
UNLB	1	-	2	-	-	-
MINURCA	-	-	-	-	1	-
MONUA	1	-	-	-	-	-
UNTSO	2	-	1	-	-	-
UNMIBH	1	-	2	-	-	-
UNDOF	-	1	1	-	-	-
UNMOGIP	-	-	1	-	-	-
Total	**8**	**1**	**14**	**-**	**1**	**-**

B. 1 January to 30 June 1999

	To							
	MINURCA		*UNAMSIL*		*UNMIK*		*UNAMET*	
From	*Field Service*	*Local level*	*Field Service*	*Local level*	*Field Service*	*Local level*	*Field Service*	*Local level*
UNFICYP	1	-	-	-	-	-	-	-
UNIFIL	2	-	2	-	7	-	14	1
UNLB	1	-	-	-	3	-	2	-
MINUGUA	-	-	-	-	-	-	-	1
MINURSO	-	-	-	-	4	-	-	-
MONUA	1	-	1	-	3	-	-	-
UNTSO	-	-	1	-	6	-	14	-
UNMIBH	3	-	-	-	33	-	9	-
UNDOF	-	-	1	-	2	-	3	-
UNIKOM	-	-	-	-	-	-	2	-
UNMOGIP	-	-	-	-	1	-	2	-
UNMOT	-	-	-	-	1	-	-	-
Total	**8**	**-**	**5**	**-**	**60**	**-**	**46**	**2**

UNMIK and MINURSO have a much higher proportion of mission appointees in the substantive areas because staff with the required qualifications are not readily available in such areas as public information, humanitarian assistance, human rights and political affairs within the United Nations system, and the Secretariat therefore often has to resort to outside recruitment. The Committee was provided with information, shown in table 4, on the percentage of Professional staff who are classified as mission appointees for the period from 1 July 2000 to 30 June 2001. **The Committee calls for maximum utilization of mission appointees.**

25. The Advisory Committee recalls its comments in its report of 1 April 1999 (A/53/895/Add.1, para. 47) that it had been informed that there were no operational impediments that would bar the hiring of 300-series employees in established peacekeeping duty stations. The Committee was informed, upon request, that during the period from 1 July 1998 to 30 June 1999, a total of 75 appointments of limited duration were granted to Local level personnel in established missions, including UNIFIL (55), UNDOF (4), the United Nations Truce Supervision Organization (UNTSO) (13), the United Nations Military Observer Group in India and Pakistan (UNMOGIP) (2) and the United Nations Logistics Base at Brindisi (UNLB) (1). Appointments of limited duration have been used for the recruitment of temporary replacements of Local level personnel in these established missions because such appointments are relatively easier to administer. The Committee was provided with the principles and guidelines for the employment of appointments of limited duration recommended by the International Civil Service Commission[3] and endorsed by the General Assembly in its resolution 52/216 of 22 December 1997 (see annex IV).

26. The Advisory Committee requested information on the number of international General Service posts converted to local posts in response to General Assembly resolution 53/233 of 8 June 1999 (see table 5). The Committee notes that, in compliance with General Assembly directives, efforts have been made in some established missions (e.g., UNMIBH) to reduce the costs of employing international General Service staff by recruiting more local staff. **While the Committee recognizes that in some situations such conversions may not be feasible, it encourages the practice of continuing to seek opportunities for conversion. The Committee believes that in new missions (e.g., UNTAET) the number of National Professional Officers should be increased and assigned to the various components of the mission. The Committee recalls that in its report on the financing of UNMIK, it recommended that a study be carried out on the utilization of National Professional Officers in all future peacekeeping operations (A/54/622, para. 40).**

27. The Advisory Committee notes that in some missions a large number of posts have been classified at an inflated level and that many may be unnecessary in relation to the functions described in the operational plans of the missions. The Committee was informed that the development of job descriptions and the classification of peacekeeping operation posts have been delegated by the Office of Human Resources Management to the Department of Peacekeeping Operations. **The Committee calls for greater involvement of the Office of Human Resources Management in the development of job descriptions and the classification of posts so that the overall uniformity of peacekeeping post levels with respect to the rest of the Secretariat is ensured. The Committee also requests that the Secretary-General present an analysis of problems encountered in attracting and retaining qualified personnel for peacekeeping operations.**

United Nations Volunteers

28. **The Committee has recommended efforts to increase the number of United Nations Volunteers and local staff. This might permit an eventual decrease in the number of international General Service staff, in compliance with General Assembly resolution 53/233. The Committee has recommended that a study be made of the potential for wider use of United Nations Volunteers to meet the requirements of peacekeeping missions. The study should be made available to the Assembly by the main part of its fifty-fifth session (see A/54/622, para. 38).**

Table 4
Percentage of professional staff who are classified as mission appointees for the period from 1 July 2000 to 30 June 2001

Mission	*Percentage*
MINURSO	70
UNAMSIL	70
UNDOF	0
UNFICYP[a]	67
UNIFIL	0
UNIKOM	6
UNLB	0
UNMIBH	70
UNMIK	65
UNOMIG	32
UNTAET	0

[a] UNFICYP being a family duty station, staff recruited specifically for UNFICYP are appointed under the 100 series of the Staff Rules.

Table 5
Number of international General Service posts proposed for conversion to local posts for the period from 1 July 2000 to 30 June 2001

MINURSO	-
UNAMSIL	-
UNDOF	-
UNFICYP	-
UNIFIL	3
UNIKOM	-
UNLB	-
UNMIBH	10
UNMIK	-
UNOMIG	-
UNTAET	-
Total	**13**

Procurement and inventory

29. With regard to its previous recommendations on procurement matters for peacekeeping operations, the Advisory Committee notes progress made in the reporting period ending 30 June 1999 (see A/54/801, para. 15). The Committee notes, for instance, progress in the planning and acquisition of vehicles and other items through the use of volume purchase agreements or systems contracts, which have led to substantial savings. Furthermore, the Committee notes that there had been savings as a result of a substantial increase in the proportion of peacekeeping procurement done in the field, as, for example, in UNFICYP and UNIKOM, and that further savings could be obtained with an increase in the threshold of procurement that can be handled locally by field missions. The Committee also notes that, as indicated by the Board of Auditors, there has been a large increase in local procurement in some missions (e.g.,UNIFIL, UNMOT, UNTSO, UNDOF, MIPONUH, UNIKOM, UNOMIG, the United Nations Mission in the Central African Republic (MINURCA) and MINURSO); however, in only two (MINURCA and UNIFIL) were procurement plans prepared, while in one (MIPONUH) a plan was prepared for international procurement. In the other six missions no plan was prepared to guide procurement activities, resulting in purchases of similar items on a piecemeal basis.[4]

30. In this connection, the Advisory Committee stresses the need for further information on the impact of the decentralization of procurement activities and of the increase in the threshold of procurement that can be handled by field missions under delegated authority upon the staffing and other resources at Headquarters. Resources that might be released at Headquarters as a result of the decentralization of procurement could be used to increase further the capacity for procurement planning at Headquarters, with a view to reducing the lead time for mission needs. The Committee requests that this and the issue of procurement levels and executing units at Headquarters, in the field and in regional areas, in terms of both value and the number of procurement actions, be examined. The Committee also requests that the matter of the reserve stock for peacekeeping missions, including alternative methods of maintaining standby arrangements, be reviewed. The result should be reported to the Committee in the context of the next review of the budgets for the period 2001/02.

31. The Advisory Committee notes that, as indicated by the Board of Auditors,[5] a number of field missions failed to prepare and submit to the Procurement Division at Headquarters relevant forms evaluating the performance of suppliers whose contracts exceeded $200,000. **The Committee stresses the need to comply with the recommendation of the Board of Auditors that all field missions report on the performance of vendors and contractors in accordance with the established procedure.**

32. The Advisory Committee notes, with respect to the role of the United Nations Logistics Base at Brindisi, that the Base executed several procurement actions in connection with urgent requirements of missions (A/54/711, para. 8). Savings have resulted from the regular use of Brindisi stock. The Committee was informed that the value of throughput for the Base is estimated at $60 million; it has $18 million in stock and $15 million worth of maintenance stock. **The Committee believes that an enhanced role for the Base to increase the capacity for procurement for peacekeeping operations and start-up of new or expanded peacekeeping missions needs to be examined. For example, the Committee has recommended that the potential for use of the Base as a training and regional procurement centre be explored (A/54/841/Add.8, paras. 10 and 25).**

33. The Advisory Committee notes that, in accordance with the resourcing policy approved by the General Assembly in its resolution 52/1 B of 26 June 1998, the Base receives surplus serviceable equipment from liquidating missions and charges the missions for the cost of repairing, refurbishing and preserving the equipment at a rate equal to 30 per cent of the total depreciated value of the equipment. The cost for the work done at the Base is, therefore, not allotted to the Base but to the liquidating mission concerned, and the related expenditure incurred by the Base is settled through inter-office vouchers between Headquarters and the Base. **The Committee recommends that the efficiency of this procedure be reviewed and that the full cost of these activities be disclosed in the next budget presentations.**

34. In connection with the Base, the Advisory Committee notes that, as indicated by the Board of Auditors,[6] the disposal of the assets of the United

Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium (UNTAES) included obsolete items transferred to other United Nations missions and to the Base. **The Committee endorses the view of the Board that in future the cost-effectiveness of any proposed transfer of assets should be properly evaluated in all missions under liquidation. The Committee has noted the progress made by the Secretariat in mission liquidation, but it is of the view that the capacity for and the efficiency of the mission liquidation activities are areas that require sustained improvement on the part of the Secretariat.**

35. With respect to the use of new technology in peacekeeping missions, the Advisory Committee acknowledges the need to provide missions with additional capacity, such as in data processing and communications. However, the Committee cautions against the tendency to automatically requisition state-of-the-art equipment in all cases.

36. Upon request, the Advisory Committee was provided with detailed information on the current replacement policy for data-processing equipment, communications equipment, vehicles and transport equipment. The Committee notes that the automatic replacement of vehicles that have reached the replacement threshold age of five years or that have been driven more than 120,000 kilometres has not been applied in all cases, but that rather there has been a pragmatic approach. Vehicles have been replaced not merely because they have reached the replacement age, but because they are no longer usable or it is no longer economical to continue to operate them. **In the view of the Committee, the current replacement cycles for various inventory items should be made more transparent in the reports. In addition to implementation of the current replacement policy, other reasons for replacement (e.g., extensive damage due to accidents or loss due to hostile action or theft) should be indicated in a more transparent manner in future performance reports.**

37. The Advisory Committee has indicated in the past that inventory management and control need further improvement and that poor inventory management often leads to excessive requests for new acquisitions (see, for example, A/53/895, para. 26, and A/53/940, para. 7). **While the Committee acknowledges that some progress has been made in accounting for inventory, it does not believe the management problems identified in the past have been fully redressed. In the Committee's opinion, information provided was not always of much help in evaluating the requests for additional acquisition because of discrepancies and inconsistencies in the information provided.**

38. The Advisory Committee enquired as to the use of the field assets control system to manage and control inventory and has concluded, on the basis of information from representatives of the Secretary-General, that the overall objective and benefits of the system have yet to be achieved. The Committee notes that despite the passage of time and repeated requests, inventory management remains a cause of concern. Standard inventory management procedures are still not visibly in operation. For example, columns providing the standardized item code classification for the different types of items, their date of purchase and their normal or anticipated life expectancy were not forthcoming. Without such a standardized system, it is impossible to track inventory as well as cases of mismanagement or avoidable loss. **Given the new surge in peacekeeping operations and the high inventory values involved, the Committee reiterates that all stages of the field assets control system must be implemented within the shortest possible period of time, and suggests that a progress report on the implementation of its initial stage be submitted to the General Assembly by the beginning of its fifty-fifth session. The Committee also requests that summary reports of inventory be readily available.**

Training

39. The Advisory Committee was informed of the increased emphasis on training programmes in peacekeeping operations. As indicated in annex V, the total allocation for training in all missions amounted to $655,000 for the period 1999/00 according to the performance reports and the estimate for the period 2000/01 amounted to $915,100 according to the proposed budgets. **The Committee welcomes this increase, but requests that the criteria for setting training priorities be stated in a more transparent manner. In the view of the Committee, in order to optimize the use of resources and avoid a piecemeal approach, areas and costs for training should be more clearly stated in the budget reports, including weaknesses and shortcomings that the training**

programmes intend to address as well as the number of personnel to be trained and the institutions or facilities to be used for training at the central, regional or local level. The Committee recommends that in the context of future budgets the number of personnel to be trained, the related costs and the areas of training should be included in the supplementary information supplied to the Committee. It is also of the view of that before personnel are selected for training, their availability for mission service should be confirmed by the Administration.

40. The Advisory Committee noted little information in the reports about staff security training, although a number of missions continued to operate in an unstable security environment. In UNOMIG, for example, the Committee noted that personnel and property were subjected to acts of violence, and staff security continues to be very precarious.

41. The Advisory Committee was informed that training in security matters was conducted under the aegis of the United Nations Security Coordinator. In this connection, the Committee recalls its comments and recommendations contained in its first report on the proposed programme budget for the biennium 2000-2001.[7] **The Committee is of the view that the costs and related policy issues of civilian security in the field can no longer be pursued in a piecemeal manner. The Committee has strongly urged the organizations of the United Nations system to carefully coordinate their security and safety activities at the field level. In the Committee's opinion, there is a need to have a comprehensive system-wide approach under the aegis of the United Nations. This would avoid the potential for a conflict in policy, activities and guidelines that might endanger the security and safety of United Nations personnel and family members. Accordingly, the Committee recommends that the report it requested be expedited and submitted to the General Assembly at its fifty-fifth session.**

42. In connection with issues of security and safety of United Nations personnel, the Advisory Committee understands that an investigation of the crash on 12 November 1999 of the plane to Kosovo chartered by the World Food Programme (WFP) is being carried out by WFP and that a study of air safety in United Nations operations is being conducted by the International Civil Aviation Organization. The Committee trusts that the lessons learned will receive general application in the United Nations system, including in the United Nations peacekeeping operations.

Coordination and collaboration in the field

43. The Advisory Committee notes that coordination and collaboration among partners in operational areas in mission activities, including humanitarian operations and security matters, have not always been clearly explained in reports of the Secretary-General to the Security Council or in the budget reports, as in the case of UNMIBH. **The Committee requests that in future information be given indicating the mechanisms for coordination and the various roles and functions of partners.**

44. In relation to coordination with other funding partners, the Advisory Committee is of the view that the establishment, financing and expenditure of trust funds and other extrabudgetary funds made available to implement mission mandates need to be more transparent. The Committee was informed, for example, that in UNMIBH contributions received by the fund for training and restructuring the local police fell short of requirements. In the view of the Committee, this affects a mission's ability to fulfil its mandate, even though support from the assessed budget may be provided.

45. The Advisory Committee has noted from time to time reference being made to costs for environmental activities in peacekeeping operations. However, in the Committee's opinion, there does not appear to be a coordinated approach to this issue. Accordingly, the Committee recommends that this issue be studied in a comprehensive manner. Experience in field missions should be studied with a view to identifying lessons learned for wide application and for establishing the best method and means of dealing with the environmental consequences of the activities and operations of United Nations forces in the field.

Insurance

46. The Advisory Committee was provided with information on third-party vehicle liability insurance (see annex VI). **The Committee recommends that the**

Secretariat collect data systematically on incidents that give rise to high premiums, such as accidents, theft and the like. These should be evaluated with a view to determining the best way for management to deal with them. The Committee was also provided, upon request, with information on the current master aviation liability insurance policy, including requirements for war-risk insurance for aircraft leased under letters of assist and commercial arrangements. The current master aviation liability insurance policy provides a $25 million liability limit per occurrence for third-party claims involving aircraft accidents. Its scope covers three areas: (a) contingent non-owned excess liabilities in respect of leased or chartered aircraft operations; (b) third-party liability including passengers for bodily injury and property damage arising out of the operation of aircraft (excluding troops and United Nations employees); and (c) liability involving mobile equipment and the like either owned by or in the care, custody or control of the insured party. While no distinction is made under the policy between helicopters and fixed-wing aircraft, the coverage varies between aircraft under letter-of-assist arrangements and commercial aircraft. Aircraft under letters of assist are covered on a "first-dollar" basis and have only third-party liability with a limit of $25 million per occurrence for third-party claims. Coverage for commercial aircraft includes: (a) a contingent policy that includes comprehensive third-party liability for a combined minimum of $20 million per occurrence, basic war-risk insurance, full aircraft insurance including all risk, both in-flight and not, and workmen's compensation insurance, which is provided in the contract between the United Nations and the vendor; (b) third-party liability insurance under the master aviation policy, which covers the difference between the settlement amount and the third-party portion of the contingent policy; and (c) additional war-risk insurance, which is a requirement of the insurer of the contingent policy for aircraft flown in hostile environments.

III. Other matters

Losses of United Nations property in peacekeeping operations

47. The Advisory Committee considered the report of the Secretary-General on losses of United Nations property of peacekeeping operations (A/54/669 and Corr.1). The report was submitted pursuant to General Assembly resolutions 53/230 and 53/235 of 8 June 1999 and provides an update on losses of United Nations property in peacekeeping operations for the period from 1 January 1996 to 31 December 1997. The report also provides an update on additional measures taken by the Secretariat to ensure the safety of United Nations peacekeeping assets since 1998 (ibid., paras. 10-20).

48. The Advisory Committee recalls that the Secretary-General provided a comprehensive report on losses of United Nations property in peacekeeping operations covering a period of three years, from 1 January 1993 to 31 December 1995 (A/53/340). In that report, the Secretary-General also provided a description of the initiatives undertaken by the Secretariat to mitigate losses of United Nations property (ibid., paras. 15-30).

49. The Advisory Committee notes that the report on losses of United Nations property in peacekeeping missions includes all missions that were operational or under liquidation during the period 1996/97 (A/54/669 and Corr.1, para. 6), with the exception of the United Nations Assistance Mission in Rwanda (UNAMIR). As indicated in paragraph 5 of the report, a separate report on the final disposition of assets of UNAMIR was to be submitted to the General Assembly at its fifty-fourth session. Furthermore, because of the size of the property holdings of the United Nations Peace Forces (UNPF), statistics on losses of assets in UNPF during the period under review is presented separately in annex II of the report.

50. The Advisory Committee notes that the report on property losses provides updated statistics on losses using the same categories and methodology used in the previous report (A/53/340). Accordingly, losses of property written off include those due to accidents, negligence, acts of war or hostilities and theft, as well as those unaccounted for (see A/54/669 and Corr.1, table 1). The information provided excludes those assets that have been written off or disposed of because of normal wear and tear or obsolescence.

51. The Advisory Committee recalls that in its report of 1 April 1999 (A/53/895, para. 52) it had indicated that the definition of loss due to negligence was not clear, in particular as to what might constitute gross carelessness in the definition of negligence (see

A/53/340, para. 5(c)) and the relationship between this definition and the threshold of gross negligence. **The Committee requests that this issue be clarified in the next report on losses of United Nations property of peacekeeping operations.**

52. The Advisory Committee believes that further progress needs to be made in the methods of collecting, classifying and analysing the data presented in the report. This includes providing comparative statistics on recovery and loss over the same time period and analysing the causes of loss, with particular emphasis on the distinction between negligence and gross negligence.

53. In connection with the action that the General Assembly may take at its fifty-fourth session on the loss of United Nations assets in peacekeeping operations, the Advisory Committee recommends that the Assembly take note of the report of the Secretary-General (A/54/669 and Corr.1).

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 5* (A/54/5), vol. II, chap. II.

[2] Ibid., paras. 25-30.

[3] Ibid., *Fifty-second Session, Supplement No. 30* (A/52/30), annex XX.

[4] Ibid., *Fifty-fourth Session, Supplement No. 5* (A/54/5), vol. II, chap. II, paras. 59-61.

[5] Ibid., paras. 101 and 102.

[6] Ibid., para. 162.

[7] Ibid., *Supplement No. 7* (A/54/7), para. X.27.

Annex I

Financial performance of peacekeeping missions for the period from 1 July 1998 to 30 June 1999[a]

(Thousands of United States dollars)

Mission	(1) Secretary-General's budget	(2) Reduction recommended by Advisory Committee	(3) General Assembly appropriation	(4) Absorption of prior year obligations	(5) Absorption for UNLB	(6) Unencumbered balance	(7) Variance (2)+(4)+(5)+(6)	(8) Variance (per cent) (7)÷(1)
MINURCA[b]	61 946.8		61 946.8	-	-	3 193	3 193	5.2
MINURSO[c]	65 053.2	5 053.2	58 850.5	-	-	15 392	20 445	31.4
MIPONUH[d]	29 100.6	26.0	29 074.6	-	-	3 707	3 733	12.8
MONUA[e]	130 800.0	-	130 800.0	-	-	149.4	149.4	0.1
UNDOF	33 247.5		33 247.5		281.4	1 737	2 019	6.1
UNFICYP	43 009.0	-	43 009.0	-	363.2	374.0	737.2	1.7
UNIFIL	140 044.2		140 044.2		1 146.0	8 329	9 475	6.8
UNIKOM	50 611.3	1 085.9	49 525.4	18.8	419.5	2 182	3 707	7.3
UNMIBH	190 921.2	10 921.2	180 000.0	-	1 519.5	19 642	32 083	16.8
UNMOT	22 282.1	2 282.1	20 000.0	-	66.5	3 639	5 988	26.9
UNOMIG[f]	18 449.4	-	18 449.4	-	158.6	(1 076	(918.1)	-5.0
UNOMSIL[g]	24 323.5	2 323.5	22 000.0	-	-	9 116	11 439	47.0
UNPREDEP[h]	42 008.9		42 008.9	-	-	1 161	1 161	2.8
UNTAES/ Support Group	7 121.4	21.4	7 100.0	-	61.4	263.2	346.0	4.9
Total	**858 919.1**	**21 713.3**	**836 056.3**	**18.8**	**4 016.1**	**67 813**	**93 561**	**10.9**

[a] Figures are shown in gross amounts and exclude amounts for the support account for peacekeeping operations.

[b] Excludes budgeted voluntary contribution in kind of $2,448,200. Absorption of the Mission's prorated share of the financing of the United Nations Logistics Base at Brindisi was reflected in the additional appropriation for the Mission for the 1998/99 period (General Assembly resolution 53/238).

[c] An amount of $46,031,077 gross has been assessed on Member States resulting in the unutilized balance of assessments of $1,423,377 gross, equivalent to 3 per cent of the amount assessed (see A/54/780). Absorption of the Mission's prorated share of the financing of the Logistics Base was reflected in the additional appropriation for the Mission for the 1998/99 period (General Assembly resolution 53/18 A).

[d] Excludes budgeted voluntary contributions in kind of $1,999,900. Absorption of the Mission's prorated share of the financing of the Logistics Base was reflected in the revised cost estimates contained in document A/53/789.

[e] Absorption of the Mission's prorated share of the financing of the Logistics Base was reflected in the additional appropriation for the Mission for the 1998/99 period (General Assembly resolution 53/211).

[f] Excludes budgeted voluntary contributions in kind of $2,294,000 and commitment authority of $1,534,400 provided by the Advisory Committee.

[g] An amount of $16,167,100 gross has been assessed on Member States resulting in the unutilized balance of assessments of $3,283,300 gross equivalent to 20 per cent of the amount assessed (see A/54/778). No provision was made for the financing of the Logistics Base.

[h] Absorption of the Mission's prorated share of the financing of the Logistics Base was reflected in the revised cost estimates contained in A/53/437/Add.1.

Annex II

Estimated gross budgetary requirements proposed by the Secretary-General for each peacekeeping operation for the period from 1 July 2000 to 30 June 2001[a]

(*United States dollars*)

MINURSO	46 611 600
MONUA	143 500
UNAMSIL	476 726 400
UNDOF	34 346 700
UNFICYP	41 039 800
UNIFIL[b]	139 367 600
UNIKOM	49 818 000
UNMIBH	153 588 000
UNMIK	461 380 600
UNOMIG	28 399 800
UNTAET	584 138 100
Total	**2 016 160 100**

[a] Exclusive of provisions for the support account for peacekeeping operations and the United Nations Logistics Base at Brindisi, which are budgeted for and approved separately but whose financing is subsequently prorated in the financing resolutions for each of the individual peacekeeping missions.

[b] Excluding budgeted voluntary contributions totalling $180,000.

Annex III

Vacancy rates at peacekeeping operations for the period from 1 July 1998 to 30 June 1999

(*Percentage*)

Peacekeeping operation	*Vacancy factor applied in the initial budget estimates*	*Actual average vacancy rate*
MINURCA[a]		
Professional	5	26
General Service/Field Service	5	7
Local	5	2
MINURSO		
Professional	10	54
General Service/Field Service	10	17
Local	10	7
MIPONUH		
Professional	-	5
General Service/Field Service	-	13
Local	-	-
MONUA[b]		
Professional	5	34
General Service/Field Service	5	20
Local	5	25
UNDOF		
Professional	-	12
General Service/Field Service	-	8
Local	-	4
UNIFIL		
Professional	5	12
General Service/Field Service	5	14
Local	-	-
UNFICYP		
Professional	-	2
General Service/Field Service	-	10
Local	-	1
UNIKOM		
Professional	5	32
General Service/Field Service	5	15
Local	5	11
United Nations Logistics Base at Brindisi		
Professional	-	13

Peacekeeping operation	*Vacancy factor applied in the initial budget estimates*	*Actual average vacancy rate*
General Service/Field Service	-	-
Local	-	-
UNMIBH		
Professional	5	10
General Service/Field Service	5	14
Local	5	5
UNMOT		
Professional	-	32
General Service/Field Service	-	20
Local	-	20
UNOMIG		
Professional	10	15
General Service/Field Service	10	3
Local	-	3
UNOMSIL[c]		
Professional	-	29
General Service/Field Service	-	35
Local	-	52
UNPREDEP[d]		
Professional	42	36
General Service/Field Service	-	19
Local	23	18
UNTAES/Support Group		
Professional	-	20
General Service/Field Service	-	17
Local	-	(11)

[a] Subsequently revised to 10 per cent for international and local personnel (see A/53/939).
[b] Subsequently revised to 15 per cent for international and 10 per cent for local personnel (see A/53/722, annex II).
[c] Based on the phasing-in of civilian personnel.
[d] Vacancy rates are commensurate with the phasing-out schedule.

Annex IV

Principles and guidelines for employment of appointments of limited duration

Principles

(a) In the recruitment of staff under appointments of limited duration, the highest standards of efficiency, competence and integrity should be the paramount consideration, as for other staff;

(b) The independence and international character of the international civil service should be preserved;

(c) Appointments of limited duration do not carry any expectancy of automatic conversion to any other type of appointment;

(d) Appointments of limited duration should not be used abusively to extend the employment of staff;

(e) Appointments of limited duration employment should not be at the expense of the core international civil service;

(f) Due regard should be paid to the importance of recruiting the staff on as wide a geographical basis as possible;

(g) Organizations' policy imperatives in the area of gender balance should not be compromised;

(h) There should be a reasonable correlation with the conditions of service of other groups of staff;

(i) Compatibility with job classification principles should be observed (equal pay for equal work);

(j) Appointments of limited duration employment arrangements should not create competition for staff among organizations;

(k) Appointments of limited duration arrangements should support the concept of the United Nations system as a good employer: hence they should incorporate adequate social security coverage;

(l) These arrangements should be developed with staff consultation and should be characterized by transparency and feedback.

Guidelines

(a) Staff members with appointments of limited duration will pledge themselves to discharge their functions and to regulate their conduct with the interests of the United Nations only in view. They shall neither seek nor accept instructions from any Government or from any other authorities external to the Organization. They will be bound in their conduct by the obligations pertaining to the staff members of the United Nations and the specialized agencies;

(b) Appointments of limited duration staff will have the status of "Official" in terms of the Convention on the Privileges and Immunities of the United Nations and the conventions of the specialized agencies;

(c) Salary is established as one lump-sum amount. This amount is determined within a range or band corresponding to the net base salary (gross base salary minus staff assessment) at current grades or groups of grades. Additions to this base take into account a number of allowances and benefits applicable to regular staff, which are incorporated in the lump sum remuneration;

(d) Annual leave will be granted in accordance with organizations' provisions for short-term staff;

(e) Sick leave will be granted in accordance with organizations' provisions for short-term staff. Staff with appointments of limited duration are eligible for maternity leave;

(f) Staff with appointments of limited duration will be covered against service-incurred illness, injury or death;

(g) Staff with appointments of limited duration will be insured by organizations against ill health and, where appropriate, war risk;

(h) Travel entitlements and installation costs will be paid in a lump sum on the basis of requirements (including family considerations, etc.);

(i) Staff with appointments of limited duration are eligible for medical and security evacuation like other staff;

(j) Staff with appointments of limited duration are entitled to the right to appeal administrative decisions following the same procedures used for other staff members;

(k) Appropriate medical clearance is to be obtained before recruitment and dispatch of a staff member under an appointment of limited duration;

(l) Staff with appointments of limited duration will receive the same termination indemnities as those payable to short-term staff.

Annex V

Training programmes

Resources made available for the period from 1 July 1999 to 30 June 2000 and proposed for the period from 1 July 2000 to 30 June 2001

(*United States dollars*)

	1999 00	*2000 01*
MINURCA	-	N/A
MINURSO	-	42 000
MIPONUH	12 000	N/A
MONUA	-	N/A
UNOMSIL/UNAMSIL	27 000	59 600
UNDOF	-	50 400
UNFICYP	15 000	34 500
UNIFIL	26 000	123 000
UNIKOM	15 000	15 000
United Nations Logistics Base at Brindisi	40 000	43 000
UNMIBH	129 500	198 700
UNMIK	358 500	256 900
UNMOT	-	N/A
UNOMIG	32 000	53 000
UNPREDEP	-	N/A
UNTAES/Support Group	-	N/A
UNTAET	-	39 000
Total	**655 000**	**915 100**

N/A, not applicable.

Annex VI

Worldwide third-party vehicle liability insurance programme

The worldwide vehicle third-party liability insurance programme covers not only vehicle fleets at peacekeeping missions but also large vehicle fleets belonging to other United Nations offices, agencies and programmes (United Nations Development Programme, United Nations Children's Fund, United Nations Office for Project Services and others).

The insurer of the programme is selected every year on the basis of a widespread competitive marketing exercise (request for quotations) conducted by United Nations brokers for this programme on instructions from the Insurance, Claims and Compensation Section of the Office of Programme Planning, Budget and Accounts. The major objective of the annual renewal exercise is to seek the lowest-cost premium that meets the policy specifications established by the United Nations (particularly the continuation of worldwide claims-servicing arrangements and a guaranteed cost policy structure).

Over the years, every effort has been made to seek proposals and quotations for this complex programme from as geographically wide a range of insurance companies as possible. However, the nature of the programme, in particular the locations and operational circumstances of the major fleets covered under the policy and the high level of losses, has proven to be unattractive to most insurance concerns which have declined the risk in past marketing exercises.

For the policy year 1 July 1999 to 30 June 2000, indications of interest and quotations were solicited from a total of seven major insurance concerns in the United States of America, the United Kingdom of Great Britain and Northern Ireland and Europe. Those insurers that have consistently declined to underwrite the United Nations risk were not invited to participate in the marketing exercise. As in the prior year, quotations were received from two insurers, AIU and Lloyd's of London. AIU was selected in accordance with United Nations financial rule 110.21 on the recommendation of the Headquarters Committee on Contracts, on 22 June 1999.

The premium rates effective 1 July 1999 to 30 June 2000 are shown in column 1. For comparison purposes, the rates for the prior period, 1 July 1998 to 30 June 1999, are provided in column 2.

Territory	Rate per unit (United States dollars) (1) 1999/00	(2) 1998/99
Worldwide (XS/DIC)[a]	60	60
Afghanistan (primary)	200	200
Albania (primary, newly added)	200	-
Angola (primary)	465	475
Cambodia (primary)	174	174
Commonwealth of Independent States[b] and Georgia (primary)	200	200
East Timor (XS/DIC, newly added)[c]	150	-
Former Yugoslavia (primary)	662	650
Haiti (primary)	463	474
Iraq (primary, newly added)	524	-
Israel (primary)	750	829
Middle East (primary)	490	490
Mozambique (primary)	200	200
Somalia (primary)	270	270
Viet Nam (primary)	200	302
Military-type (primary)	350	350

[a] The worldwide (XS/DIC) coverage component relates to all vehicles worldwide for which primary local third-party insurance exists. The worldwide policy in this case provides at low cost coverage up to $1.0 million per occurrence and fills in where the local underlying coverage may not fully apply.

[b] Includes Kyrgyzstan, Azerbaijan, Uzbekistan, Kazakhstan, Tajikistan and Turkmenistan.

[c] The XS/DIC East Timor rate is $150 due to the low level of local underlying coverage.